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DEPARTMENT FOR EUR/SE

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SUBJECT: CYPRUS: TALAT DENIES "CONFEDERALIST" ALLEGATIONS

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Classified By: Ambassador Frank C. Urbancic, Reasons 1.4 (b), (d)

¶1. (C) SUMMARY: A cautious but constructive Turkish Cypriot leader, Mehmet Ali Talat, assured visiting EUR DAS Matthew Bryza on January 14 that T/Cs remained committed to reunification of Cyprus into a bi-zonal, bi-communal federation, despite Greek Cypriot fears the T/Cs were shifting to favor a confederation. Talat explained that the distinction between federalism and confederalism lies in the structure of the state and its international personality, not the number and types of competencies assigned to the constituent states. Pushing for more competencies for a T/C state did not make Talat a confederalist, as G/C critics alleged. The T/C leader assured that his side was committed to reaching a deal, while its positions on key issues, such as the election and composition of the federal executive, took into concern Greek Cypriot interests. Talat believed that he and Christofias could make great progress on their own but could never bridge all remaining gaps without UN mediation or arbitration; the appointment of special envoys from the U.S. and other countries might help. He acknowledged that a CTP loss in April "parliamentary" elections in the north could constrict his ability to negotiate. END SUMMARY.

Bizonal, Bicomunal Federation Still Our Aim

¶2. (C) Joined by chief negotiator Ozdil Nami, "TRNC President" and Turkish Cypriot leader Mehmet Ali Talat welcomed visiting Deputy Assistant Secretary Matt Bryza for a one-hour discussion of Cyprus Problem politics. The call came hours after Bryza saw Christofias (Septel), and two days after the RoC President had alleged publicly that four months' discussions on Governance had engendered little substantive progress. In response to Bryza's observation that Christofias seemed eager to engage in give-and-take discussions, Talat guessed that his counterpart aimed to placate hard-line coalition partners EDEK and DIKO with the message, although how that might help Christofias was anyone's guess. Both the President and his AKEL party historically were prone to flip-flopping, Talat charged. As proof, he pointed to Christofias's back-tracking after the G/C nationalists had protested the May 23 agreement that stipulated a reunited Cyprus would comprise a partnership of two constituent states. This latest "no progress" allegation looked like similar waffling.

¶3. (C) Talat rebutted G/C charges that he aimed to ignore thirty years of UN resolutions calling for a federal Cyprus, and instead pursue a loose union of Greek- and Turkish

Cypriot states. Demanding greater competencies for the constituent units did not signify the end product would be confederal. "The distinction is found in the structure of the state and its international personality," he asserted. A unified island would feature a single international personality, for example. Unlike confederacies, which Talat claimed had only a unified economy and national defense, the new island would enjoy stronger and more numerous federal structures. Were Greek Cypriots to agree to more political representation for T/Cs -- "not in the civil service, but only at the highest ranks" -- Turkish Cypriots would agree to cede more competencies to the federal government. G/Cs had made concessions recently on representation in the legislative and judicial branches, but not on the executive, he added.

We Cannot Live With This

14. (C) Greek Cypriots historically demand a strong, stable federal government, and Talat claimed that key Turkish Cypriot proposals on Governance supported this aim. The T/C executive model -- a presidential council of four Greek Cypriots and three Turkish Cypriots, elected on a joint ticket by majorities of both T/C and G/C federal senators -- would ensure the leadership enjoyed both sides' broad-based political support before taking office, he asserted. In contrast, the Greek Cypriot proposal, which envisioned direct election of a Greek Cypriot president and Turkish Cypriot vice president on a common ticket with the incumbents switching positions periodically, looked disenfranchising and unstable. Because the G/C community dwarfed the T/C community in size, it effectively would determine the winners of both slots, he contended. Further, while pro-solution

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parties like his CTP and AKEL might succeed in forging a pre-election pact and campaigning in the other community, Talat could never imagine nationalist forces like UBP or DIKO ever doing the same, resulting in the effective disenfranchisement of these parties. Bi-communal coalitions were easier to forge after, not before, popular elections.

15. (C) Bryza observed that Christofias worried the T/Cs' call for more competencies to devolve to the constituent states reflected a T/C shift toward a confederation rather than a federation. Talat responded by criticizing Christofias's CyProb competence, claiming "he is simply not that knowledgeable of past settlement efforts." He pointed to the G/C side's insistence that residual powers belonged to the federal government. "All UN efforts back to the the Ghali Set of Ideas (1992) stipulated that these powers belonged to the states (e.g. powers not explicitly assigned to the federal government). Why else have we been negotiating for weeks the competencies of the federal government?" Talat questioned. Similarly, past UN plans allowed for the constituent states to ensure their "citizens" maintained clear majorities in both population and land ownership, a concept which Christofias was now opposing. Talat also refuted the allegation that the the reunified state must be a metamorphosis of the existing RoC into a federal entity, claiming that the UN resolutions took no position.

Talks Not All Bad, But Need Some Work

16. (C) Christofias's election in February 2009 had brought a new sense of purpose to the bi-communal talks, and the T/C leader did not doubt his counterpart's commitment to reaching a settlement. "I worry more about his coalition 'allies,'" Talat revealed. DISY and its pro-solution leader Nikos Anastasiades could provide Christofias political cover to negotiate, but the President was allowing his "ideological

antagonism" toward the right-wing party to prevail over pragmatic need.

¶17. (C) He and Christofias had reached convergence in various areas and would continue to ink successes as the talks progressed to other chapters. The pace did not satisfy, however. Nor could the sides ever close the remaining gaps in order to allow a plan to go to referenda without external help. "Here, the UN must play a greater role, either through arbitration or mediation," Talat reckoned. The international community might also assist by assigning envoys to the process. He hoped the Obama administration would take that step.

¶18. (C) Coming "parliamentary" elections (April 19) could affect the direction of settlement talks and limit his maneuvering room, Talat admitted. A victory by the pro-solution CTP was therefore essential. Should nationalist UBP prevail, the "government" could tie his hands, or at least make negotiations a far harder proposition. Talat had said the same to Christofias, and he thought the G/C leader understood his predicament. The U.S. and international community might electorally aid the CTP -- and thereby, the solution effort -- by praising progress tallied so far in the talks. Further efforts to reduce Turkish Cypriot isolation could prove even more beneficial to pro-solution forces, he concluded.

Bryza Responds

¶19. (C) Bryza concurred that the pace of negotiations could be quicker, noting that every day that passed without a solution raised the risk of failure to reunify the island. The U.S. was continually searching for EU partners to make that point to Greek Cypriots. He worried the G/Cs might overestimate Ankara's willingness to concede in Cyprus talks to smoothe its accession path. Still, during his talks in Nicosia, he had seen a far more constructive Greek Cypriot stance in comparison to that of 2006, when hard-line former President Tassos Papadopoulos called the shots. Christofias and chief negotiator George Iacovou seemed willing to deal in a give-and-take negotiation and had pitched some creative ideas, such as those on deadlock-breaking mechanisms in the legislature and judiciary. He hoped Talat would give them full consideration and respond in kind. (Comment: Immediately prior to the Talat meeting, T/C negotiator Ozdil Nami handed Bryza a copy of the coming-into-being of the federative state, dubbing it a constructive response to the

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G/Cs' constructive proposal earlier in the week on deadlock-breaking mechanisms. A quick review indicated that it was indeed a constructive T/C proposal.)

¶10. (C) As usual, the USG stood willing to use its good offices to further the process, Bryza assured. A U.S. special envoy might eventually serve to "even the playing field" between the internationally-recognized RoC and the Turkish Cypriot side, for example. The appointment was not off the table, but was not being contemplated at the moment. Once the negotiators had completed the first pass through the settlement chapters and shifted from laying out their positions to horse-trading, the question of an envoy deserved another look.

¶11. (U) DAS Bryza has cleared this message.
Urbancic